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Chief, Economic Research

17 October 1956

Chief, Materials Division

Evaluation of State Department OIR Effort.

1. To date the OIR effort in the field of finished intelligence has been of only marginal value to the Materials Division. Discussion of past OIR production with members of D/M indicates that this situation results largely from a lack of manpower available in OIR. This deficiency forces OIR to limit its efforts to the reporting and appraisal of open source information such as Soviet-Bloc press releases and speeches by important personalities. In view of the availability of this type of information within D/M plus the lack of technical competency in OIR to properly evaluate available data on these areas of interest to D/M their reports, with but few exceptions, are used only as secondary sources.

2. Specific exceptions to the above which point up certain areas of interest, where the OIR effort has been of value to D/M, are the OIR reports on Bloc and/or East West Trades and Economic Penetration as such trade and penetration affects D/M interests. IR-1979, "Egypt Sues the Suez Canal," 30 July 1956 and IR-7222, "The World Tanker Fleet and its Employment," 12 July 1956 were of particular use to the Petroleum Branch of D/M.

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